

Piscataqua Savings Bank



| | |
|------------------|---|
| HANOVER GARAGE | ↑ |
| MARKET SQUARE | ↑ |
| MUSIC HALL | ↑ |
| POST OFFICE | ← |
| PRESCOTT PARK | ← |
| SEACOAST THEATRE | ← |
| STRAWBERRY BANKE | → |
| VISITOR CENTER | → |

THE BANK NEXT DOOR

2024

PISCATAQUA SAVINGS BANK
ANNUAL REPORT 2024



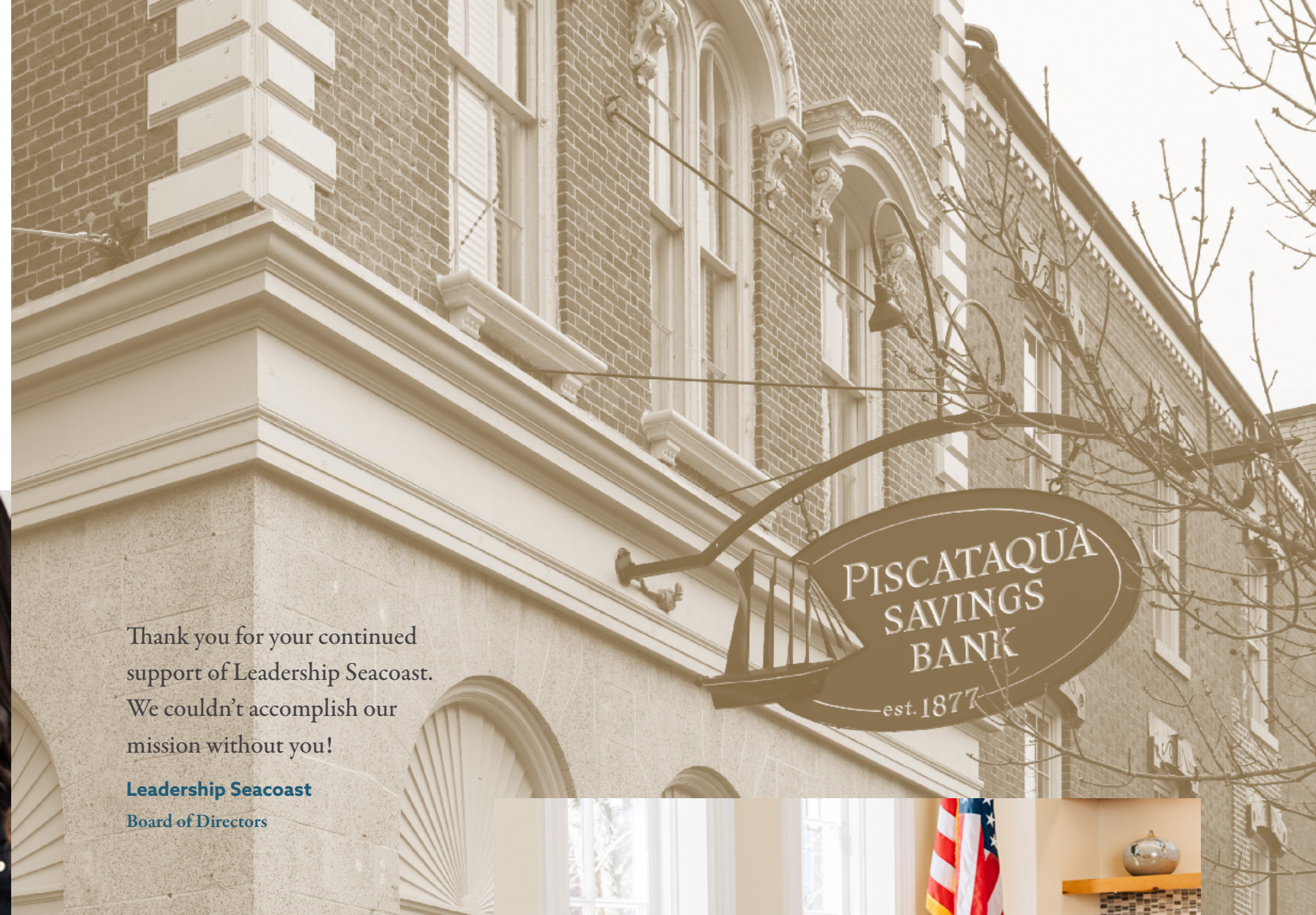
PISCATAQUA SAVINGS BANK

Portsmouth's Local Bank Since 1877



Thank you for your continued support of Leadership Seacoast. We couldn't accomplish our mission without you!

Leadership Seacoast
Board of Directors



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Thank you for your support empowering Seacoast teens to leverage the power of community and art to navigate the complex world we live in, so they can thrive now and into adulthood.

Caitlin Little
Arts in Reach (AIR)
Director of Community Engagement

Thank you so much! We are beyond grateful for PSB's long and generous support.

Lee Frank
Development Director, Prescott Park Arts Festival



Message From the President

As I assumed the role of President and CEO in March of 2025, I reflected on the career of my predecessor, Joan W. Gile. Joan first walked through the doors of Piscataqua Savings Bank as an employee on August 18, 1986. At that time the Bank held just over \$82 million in total assets. The average 30-year fixed mortgage was 10.19%. And the Bank did not yet have a Trust and Investment Department.

A lot changed in banking during Joan’s career, but her commitment to our customers and to her colleagues has never wavered. On behalf of all of us at PSB, I want to thank Joan for her years of service — and, most importantly, wish her all the best in retirement. As I have said to Joan, it is not “Goodbye,” it’s “See you soon,” as I am delighted that she has agreed to remain on our Board of Trustees.

To say that 2024 was a challenging year for financial institutions is an understatement. The Federal Reserve began easing a severe monetary-policy-tightening cycle that began in March 2022 and held steady through 2023. The effective rate increased by 5.25% over sixteen months and drove Treasury instrument yields higher alongside principally short-term instruments. This was deemed necessary to fight inflationary pressure. The Federal Reserve cut rates 100 basis points during 2024 in an effort to un-invert the yield curve, while still targeting 2% inflation. This has diminished the banking sector’s ability to operate profitably. It is expected,

but not a given, that the FED will cut an additional 25 to 50 basis points in 2025.

Bank balance sheets are built out longer on lending that serves the community. Investments supplement earning assets. During the lower-for-longer rate environment between the financial crisis and the pandemic, the Bank added duration to loan and investment portfolios to capture some yield. A rapid rise in rates made these assets worth less, and they take time to mature and/or reprice. Throughout 2024 the Bank put more duration on the books at higher returns, but is still enduring significant unrealized loss from lower earning assets as they reprice. Funding costs for deposits and borrowing, which were already high, continued to rise in 2024.

In 2023, the Bank squeaked out a pre-tax profit and 2024 saw a loss of around \$800,000. Government money market funds paying high rates (because they are invested in Treasuries) became formidable deposit competition. To counter this, the traditional retail tool for community banks is the certificate of deposit. Certificate rates were raised in 2023 and remained so throughout 2024.

Management correctly budgeted for a loss in 2024. Fortunately, the Bank holds one of the highest Capital ratios in the state to insulate against exposure during times such as these. As the FED continues to cut rates and our assets gradually reprice, management looks forward to better times in 2025.

Management made strategic decisions in 2024 regarding our residential lending. Given the incredibly low inventory and an influx of cash buyers, this presented the Bank with an opportunity. We moved away from our reliance on our correspondent lenders program with the understanding that we would see a decrease in loan production. In the long run, however, we believe we will be better suited to meet the needs of our customers. Despite these challenges our lending team closed \$11 million in home equity lines of credit and \$10.5 million in first mortgages and fixed home equity loans. They also retained \$1.3 million in mortgages thanks to our loan modification program. Homeownership is paramount to the success of every individual in the areas where we lend. As other banks move away from residential lending, rest assured we remain committed to helping your dream become a reality.

The Trust & Investment Department ended the year with assets under management (AUM) of \$339,677,946, up 6.07% for the year. The AUM profile was:

- 56% investment management accounts
- 31% trust & estate fiduciary accounts
- 13% in retirement & custody accounts

New organic business for the year totaled \$22 million. The strong stock market appreciation was also a significant factor in the department’s success and offset normal account outflows and distributions.

2024 revenue was \$2,331,037, an increase over the prior year of 7.34%. Expenses came in at \$1,739,113, a 1.45% increase from the prior year, resulting in a net income before taxes of \$591,924. The end-of-year efficiency ratio (cost to earn a dollar of income) improved from 77.9% in 2023 to 74.6% in 2024. The settlement of estates and winding down of trusts provided added hourly revenue.

The Trust and Investment Department staff remains laser focused on building and maintaining relationships with clients, which is essential to the services that they provide. They are committed to the highest standards of business practice, client satisfaction, and community involvement. They also have a conservative and consistent pursuit of financial growth and performance.

A hallmark of our brand is a commitment to support the Seacoast community. Although we faced challenging headwinds in 2024, our commitment did not waver. In 2024 we donated \$119,405 to 119 organizations. We also continued to support our employees’ efforts to help nonprofits by providing 16 hours of paid volunteer time. In total the Board and Employees volunteered 3,724 hours during the year.

We are proud of our support for the organizations that make this community an amazing place to live and work. We are even more proud of the number of nonprofits that have made Piscataqua Savings Bank their bank. We cannot thank you enough.

As the 14th President/CEO of Piscataqua Savings Bank, it is both an honor and a privilege to lead this institution into the next chapter of its journey. Reflecting on the remarkable

achievements of the past, I am inspired by the strength of our foundation, the dedication of our employees, and the trust placed in us by our customers.

Under the leadership of my predecessors, Piscataqua Savings Bank has established a reputation for financial strength, innovation, and community commitment. I would like to express my deepest gratitude to them and to all who have contributed to our success.

Looking ahead, my vision for Piscataqua Savings Bank is to build on our solid foundation. The financial services industry is evolving rapidly, and we are well positioned to lead in this

dynamic environment. We will continue to invest in technology. We will enhance our customer experiences. And we will deliver on our promise of long-term value creation.

I am excited about the opportunities before us. I am deeply committed to ensuring that we remain a bank our clients trust, a company our employees are proud to be a part of, and an institution that is a pillar of support for the communities we serve.

I extend my sincere thanks to all of you—our employees, customers, and partners—for your continued support.

Together, we will continue to build on our legacy and create a future of growth, success, and positive impact.

Thank you for your confidence and trust.



Benjamin S. Wheeler
President & CEO



2024 BY THE NUMBERS



38%

Total female officers, including a 43% female board and female President/CEO



\$119k

In donations given to 119 unique organizations
(including tax credits)



\$22M

Loan originations



30

Home equity lines of credit



As a valued donor, you are an integral part of our creative community, and we are honored to have you by our side. Your belief in our vision fuels our determination to create meaningful experiences and make a positive impact through the power of art.

Amanda Kidd-Kestler
Executive Director, NH Art Association

3,724

Volunteer hours,
increasing every year



\$11.1M

Total HELOCs
originated



2024 B Corp Impact

There’s a buzz in the B Corp community right now. B Lab, the nonprofit behind B Corp Certification, is implementing significant changes to its standards to ensure that certified companies meet rigorous social and environmental criteria.

The new framework replaces the previous flexible scoring system with explicit requirements across eight Impact Topics:

- Foundation Requirements
- Purpose & Stakeholder Governance
- Fair Work
- Justice, Equity, Diversity, and Inclusion (JEDI)
- Human Rights
- Climate Action
- Circularity & Environmental Stewardship
- Government Affairs & Collective Action

This goal is to provide clarity for companies, spurring impactful actions and putting the focus on what truly matters.

A notable change in the recertification process is the mandatory annual measurement and reporting of greenhouse gas (GHG) emissions. Companies must set science-based targets aligned with the goal of limiting global warming to 1.5°C. They must also implement comprehensive climate transition plans to reduce emissions over time.

This requirement underscores B Lab’s commitment to addressing climate change and promoting environmental stewardship among certified businesses.

To refine these standards, B Lab actively sought feedback from its community. A consultation in early 2024 gathered insights from more than 1,000 businesses, public, and academic stakeholders. This resulted in more than 16,000 pieces of qualitative feedback. The findings highlighted strong alignment with B Lab’s values, with 86% of respondents agreeing that the draft standards reflect high social, environmental, and governance performance.

These new standards will be in place by 2026. Although the next recertification date for PSB is March 8th, 2026, the submission deadline is September 7th, 2025. So we will not be subject to these new standards this time around. That will allow us the proper time to work on enhancing our environmental standards — our GHG emissions in particular.

On another note, in addition to my corporate responsibilities, I now serve as a Business Advisor for the University of New Hampshire’s B Impact Clinic. This new position involves mentoring student teams and assisting businesses in assessing their social and environmental impacts. It’s another example of the Bank’s commitment to promoting ethical business practices and supporting the next generation of sustainability leaders. Additionally, it allows us to connect to B Corp businesses to exchange ideas and share best practices.

One final example of our commitment to enhanced environmental standards. This spring we are installing a fast electric vehicle (EV) charger in our parking lot. Be on the lookout for more exciting news about this coming soon!

As always with our B Corporation journey, there is no finish line. There are always opportunities for improvements and our mission will continue.

Antone Cabral

Antone Cabral
B Corp Officer

Certified
B
Corporation

B Impact Report Scores

The B Impact Report is the summary of a company’s scores on the B Impact Assessment by category. *Certified March 2023.*

| | |
|-------------|------|
| Environment | 8.8 |
| Workers | 31.7 |
| Customers | 12.1 |
| Community | 23.1 |
| Governance | 20.9 |
| Overall | 97.4 |

“

On behalf of the thousands of children who will benefit from CMNH initiatives this year, thank you so much. We couldn’t continue our work without supporters like you.

Monique Deforge
Director of Development & Community Engagement, Children’s Museum of NH

B CORP

Business
as a Force
For Good



PISCATAQUA SAVINGS

Community Support



Seacoast Community Lunch

Each month, two employees volunteered at Middle Street Baptist Church to help serve lunch, contributing a total of 33 hours.



Connor's Climb 5K & Family Walk

The PSB team held a Jeans Day fundraiser, raising \$205.



Fair Tide

Employees sorted clothes, contributing a total of 17.5 total volunteer hours.



Portsmouth Welfare Department

Employees generously donated school supplies to support back-to-school efforts.



On Belay

Employees donated candy to support the Gingerbread House event.



Pope Memorial SPCA

Employees and customers generously donated items, and a Jeans Day fundraiser raised an additional \$215 in support.



Kittery Block Party

The Kids Booth team planted flowers, contributing a total of 27 volunteer hours.



Strawbery Banke Museum

Employees stacked 2 cords of wood, contributing a total of 11.25 volunteer hours.



Community Shred Event

The PSB team hosted a community shred event and collected donations for Footprints Food Pantry—contributing 25 volunteer hours, 532.8 pounds of food, and \$90 in monetary donations.



Portsmouth Housing Authority

The PSB team assisted with the winter cleanup at Gosling Meadows Community Garden, contributing a total of 17.5 volunteer hours.



Seacoast Community School

Employees adopted a family with three children and fulfilled 43 wish list tags to help make their holiday special.



Share fund

Employees donated items for Thanksgiving baskets benefiting Strafford County, and a Jeans Day fundraiser raised an additional \$165 in support.



Lydia's House of Hope

Employees contributed 30.5 volunteer hours toward repairs and painting efforts. The Jeans Day fundraiser raised \$328 to support the cause.

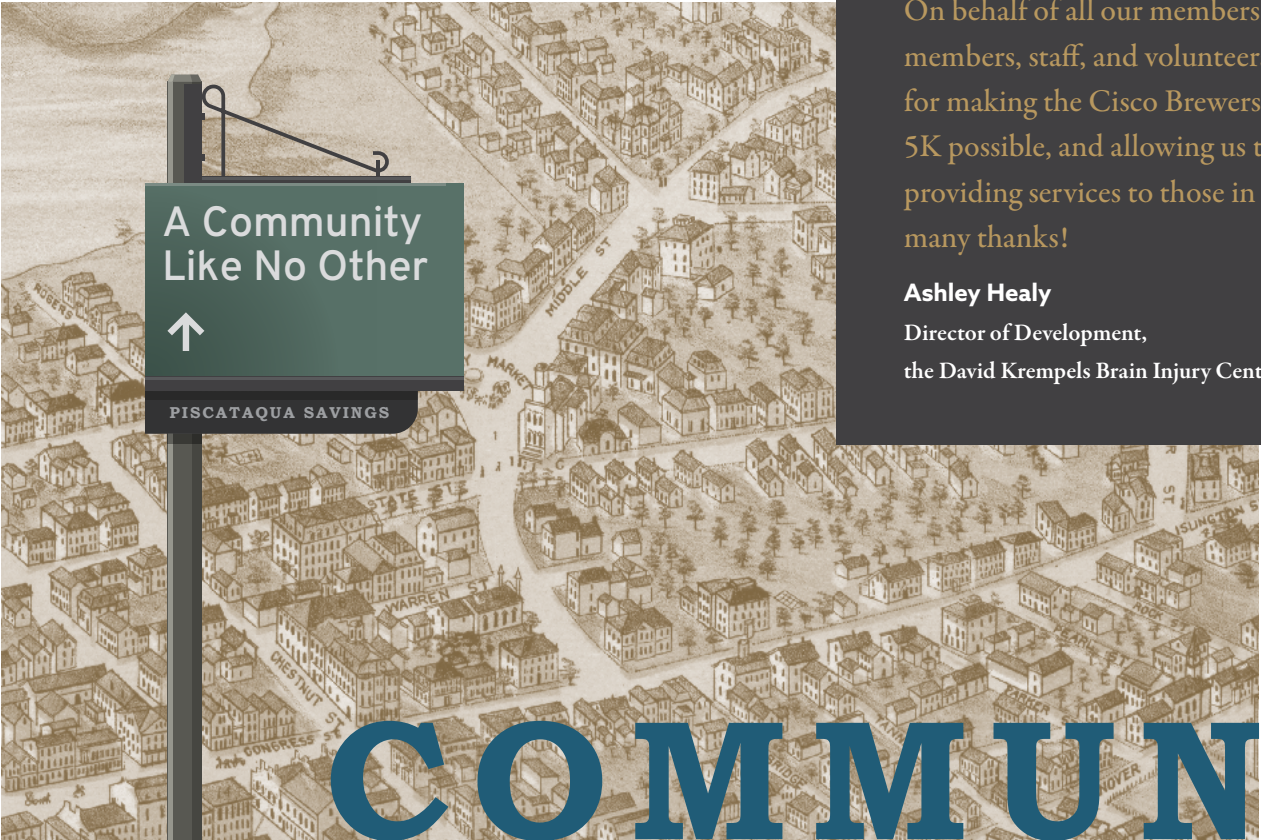


The Common Table

Each month, two employees volunteered at St. John's Church to serve lunch, contributing a combined total of 12 volunteer hours.

Community Contributions

| | | | |
|-------------|-------------|---------------|--------------|
| Arts (A) | \$36,360.00 | Political (P) | \$2,000.00 |
| Housing (C) | \$4,780.00 | Seniors (S) | \$4,385.00 |
| General (G) | \$37,229.53 | Youth (Y) | \$18,401.41 |
| Health (H) | \$16,250.00 | Total | \$119,405.94 |

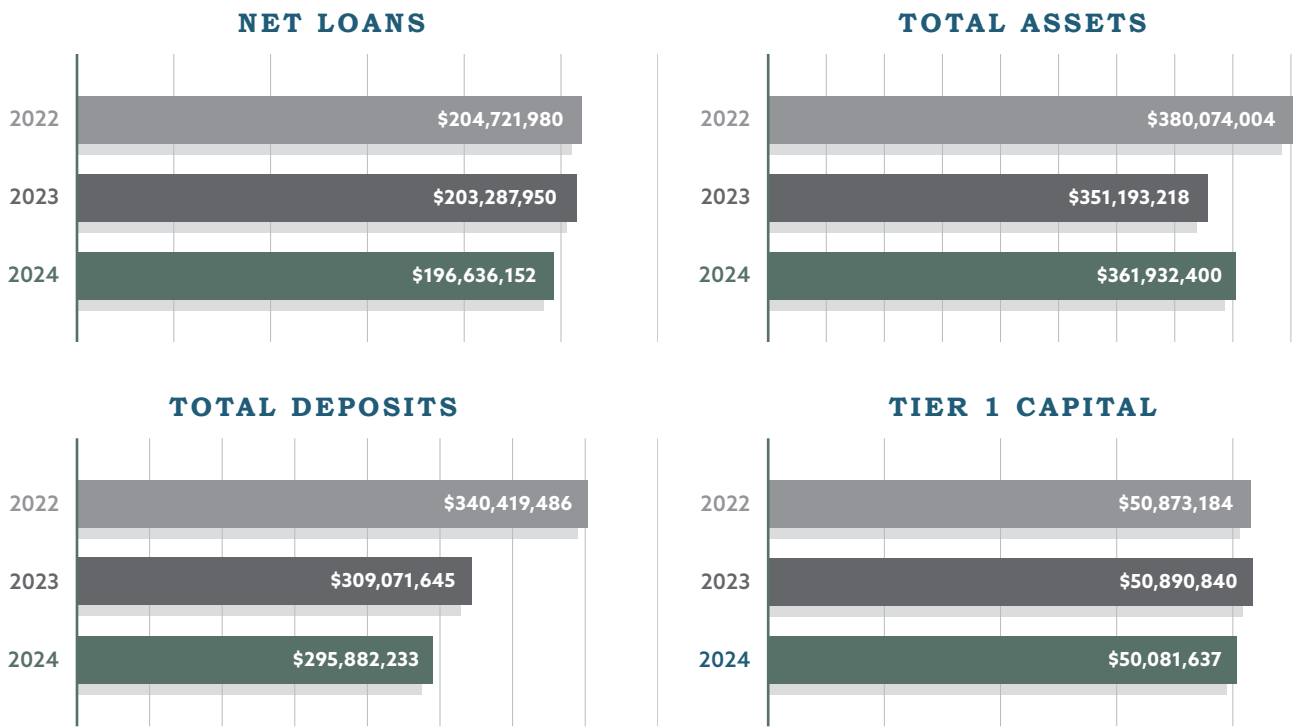


On behalf of all our members, family members, staff, and volunteers, thank you for making the Cisco Brewers Portsmouth 5K possible, and allowing us to continue providing services to those in need. With many thanks!

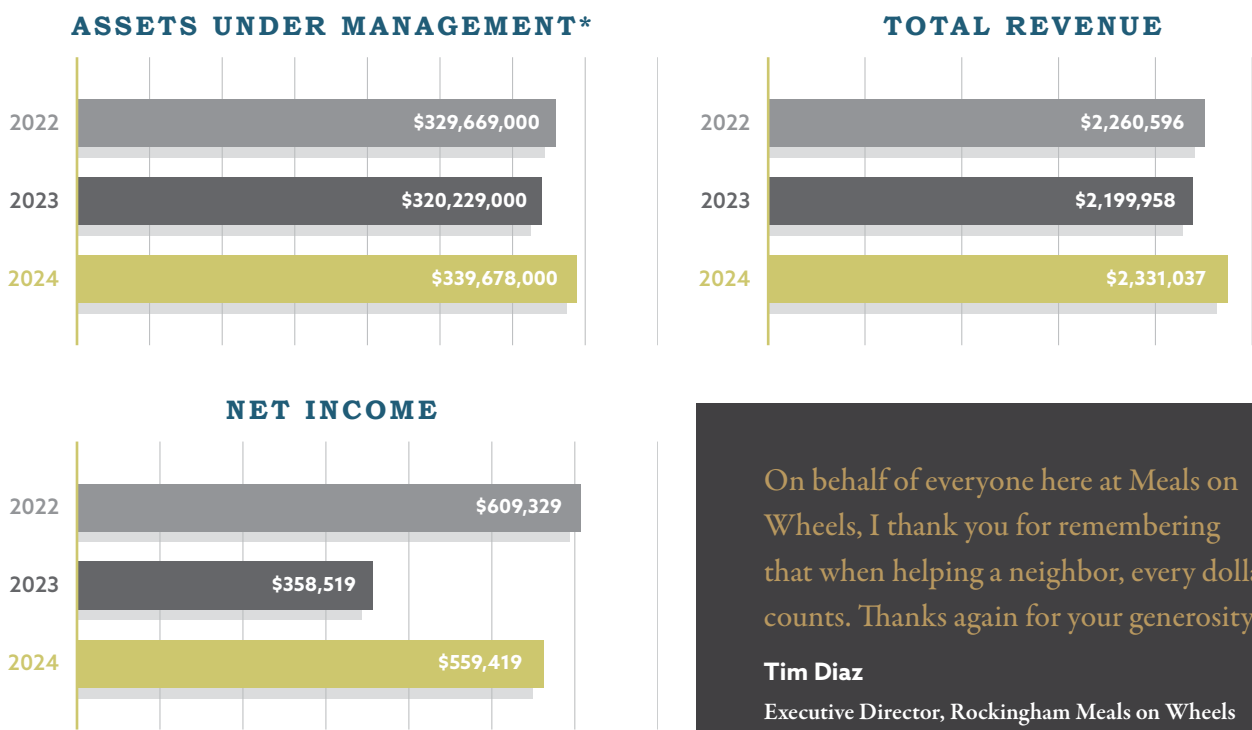
Ashley Healy
Director of Development,
the David Krempels Brain Injury Center (KBIC)

COMMUNITY

Assets, Deposits & Capital



Trust & Investment Department



Balance Sheet

Consolidated Balance Sheet

| | |
|---|----------------|
| ASSETS | |
| Cash & Due From Banks | \$15,352,224 |
| Short-Term Investments | \$383,170 |
| Total Cash & Equivalents | \$15,735,394 |
| Certificates of Deposit | \$5,428,933 |
| Securities Available-For-Sale, Fair Value | \$114,907,897 |
| Equity Securities, Fair Value | \$0 |
| Federal Home Loan Bank Stock, Cost | \$1,175,600 |
| Loans | \$198,140,556 |
| Less: Allowance For Loan Losses | (\$1,504,404) |
| Net Loans | \$203,287,950 |
| Banking Premises & Equipment | \$6,948,725 |
| Accrued Interest Receivable | \$1,160,878 |
| Bank Owned Life Insurance | \$12,273,013 |
| Other Assets | \$7,665,808 |
| Total Assets | \$361,932,400 |
| LIABILITIES & CAPITAL | |
| Deposits | \$295,882,233 |
| Mortgagors' Escrow Accounts | \$857,237 |
| Federal Home Loan Bank Advances | \$25,000,000 |
| Accrued Expenses & Other Liabilities | \$1,278,890 |
| Total Liabilities | \$323,018,360 |
| Capital: | |
| Undivided Profits | \$50,081,637 |
| Accumulated Other Comprehensive Income (Loss) | (\$11,167,597) |
| Total Capital | \$38,914,040 |
| Total Liabilities & Capital | \$361,932,400 |

Consolidated Statement of Income

| | |
|--|---------------|
| INTEREST & DIVIDEND INCOME: | |
| Interest & Fees on Loans | \$8,019,722 |
| Interest & Dividends on Securities | \$2,552,818 |
| Other Interest | \$1,041,239 |
| Total Interest & Dividend Income | \$11,613,779 |
| Interest Expense on Deposits | \$7,026,680 |
| Interest Expense on Borrowings | \$760,182 |
| Total Interest Expense | \$7,786,862 |
| Net Interest & Dividend Income | \$3,826,917 |
| Provision for Loan Losses | (\$222,597) |
| Net Interest & Dividend Income After Provision | \$4,049,514 |
| OTHER INCOME | |
| Customer Service Fees | \$121,097 |
| Trust Department Fees | \$2,331,031 |
| Net Gain on Loan Sales | \$0 |
| Loan Servicing Fees | \$47,641 |
| Loss on Sale of Available-for-Sale Securities | \$0 |
| Unrealized Gain on Equity Securities | \$0 |
| Miscellaneous | \$367,273 |
| Total Other Income | \$2,867,042 |
| OPERATING EXPENSES | |
| Salaries & Employee Benefits | \$5,098,856 |
| Occupancy & Equipment | \$828,237 |
| Data Processing | \$591,433 |
| Other General & Administrative | \$1,484,491 |
| Total Operating Expense | \$8,003,017 |
| Pre-Tax Income | (\$1,086,461) |
| Income Taxes | (\$277,258) |
| Net Income | (\$809,203) |

On behalf of everyone here at Meals on Wheels, I thank you for remembering that when helping a neighbor, every dollar counts. Thanks again for your generosity!

Tim Diaz
Executive Director, Rockingham Meals on Wheels

*Not FDIC Insured | May Lose Value | No Bank Guarantee

Bank Officers

Joan W. Gile
President/CEO

David H. Bryan
Chief Financial Officer

Benjamin S. Wheeler
Executive Vice President

Antone Cabral
Senior Vice President/
Senior Information
Technology Officer

Cheri DeLorge
Vice President/
Senior Loan Officer

Wanda Fontaine
Vice President/
Senior Operations Officer

Matthew Gordon
Assistant Vice President/
Assistant Treasurer

Steffany Gallant SHRM-CP
Assistant Vice President/
Human Resource Officer

Joshua Johnson
Assistant Vice President/
Network Administrator

Ellen Martin
Assistant Vice President/
Compliance Officer

Trust & Investment Services Officers

Thomas J. Queeney
CFTA, CFP®, AEP®
Vice President/Senior Trust Officer

Brianna Adams JD, LLM
Vice President/Senior Fiduciary
Officer

Michael Rodier CFP®, SCRIC®
Vice President/Senior Portfolio
Manager

George Rooney CFA®
Vice President/Senior Portfolio
Manager



Staff

| | |
|---------------------|-------------------|
| Christine Peete | Jon L. Houghton |
| Julianna Simonds | Raymond Faulkner |
| Laurie Trombetta | Ana Malone |
| Michelle Jenkins | Leah Colbath |
| Colin Dwyer | Gail Armsden |
| Lydia Debenedictis | Hannah H. Corbett |
| Mary Ayer | Heidi Byers |
| Michele Millett | Morgan Cole |
| Neil Cremin | Jennifer Dumont |
| Michael Schulenberg | Susan Hauge |
| Sarah Briolat | Tina M. Libby |

Your loyal support makes it possible for PPM to bring an experience of quality choral music to the seacoast community. All the singers and musicians of PPM extend our sincere appreciation.

Lauren Barrett
Business Manager, Portsmouth Pro Musica

Corporators

| | | | |
|-------------------------|-------------------------|-----------------------------|----------------------|
| Kevin F. Adams | Joan W. Gile | Jennifer Crompton Marchewka | A. John Sacramone |
| Karen Alder | Terri L. Golter | John McCune | James H. Sanders |
| Joseph J. Almeida | Cornelia C. Gray | Alec L. McEachern | Thomas J. Sedoric |
| Michael J. Asselin | Jennifer M. Gray | Mark A. McNabb | Maureen Semprini |
| Timothy M. Barnhorst | Russell B. Grazier Jr. | Jeffrey Mountjoy | Wayne P. Semprini |
| Christopher H Brown | Charles A. Griffin | Evan T. Mullen | Andrea L. Sennott |
| David H. Bryan | Nora S. Happny | Michael J. Murphy | Barbara Shea-Smucker |
| Maryellen Burke | Robert J Harbeson | Peter Neuffer | Christopher Snow |
| Antone Cabral | Shannon Harrison | Nancy E. Notis | Victoria Sol |
| Robert A. Casassa | David J. Haskins (DJ) | Francie Osgood | Curtis Springer |
| Kenneth R. Clark | Richard C. Holt | James F. Petersen | Maureen Sullivan |
| Penelope (Phelps) Craig | Gregory C. Johnson | Philip L. Pettis | Margot Thompson |
| Margot Doering | Richard G. Kaiser | James Piper | A. Robert Thoresen |
| Deborah A. Driscoll | Mary Jane Shanley Keane | Thomas J. Queeney | Emil R. Uliano |
| Lisa S. Dumont | Dexter R. Legg | John Ricci | Richard M. Wallis |
| Timothy J. Durkin | Robert Lister | Alan M. Robinson | Benjamin S. Wheeler |
| Amy C. Ferris | Peter J. Loughlin | Elisabeth Robinson | Susan G. Wolf |
| Jay S. Gibson | Denise Magnant | Rodney D. Rowland | |

Trustees

Christopher H. Brown
Chairman

Alan M. Robinson
Vice Chairman

Joseph J. Almeida

Margot Doering

Joan W. Gile

Philip L. Pettis

Elisabeth Robinson





**PISCATAQUA
SAVINGS BANK**

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Certified
B
Corporation

Member
FDIC